



2022 Maryland Qualified Allocation Plan (QAP) & Multifamily Rental Financing Program Guide

Pre-Round Information Session for the
2022 Competitive Funding Round

March 17, 2022

Purpose of Today's Meeting

- Provide information about:
 - Resources available for the Round
 - Application and Administrative Processes
 - Review Threshold and Scoring Items
- Provide opportunity for questions and answers

Resources Available

ROUND DEADLINE: May 4, 2022

**9% LIHTCs:
(approximately) \$16.5 M**

**Rental Housing Financing Programs
(RHFPs):
(approximately) \$25 M**

Pre-application Meetings

- Pre-Application meetings are *optional*
- Provide an opportunity to receive feedback on proposed project specifics
- Use the Pre-Application Meeting Request Form at <https://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx> to submit a meeting request
- Meetings will generally be scheduled for 45 minutes

Application Submission

- **Applications are due by 2 pm on Wednesday, May 4, 2022**
- **MUST** use New Application Submission Kit dated February 2022
<http://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx#appdocs>
- Submit one (1) hard copy and one (1) electronic copy of the complete application, including attachments and exhibits
- Submit Application into Multifamily Information System. Email dhcd.rentalhousing@Maryland.gov for log in credentials
- Application fee of \$2,500 for each project must be submitted (under separate cover) at the same time as or before application submission to **Post Office Box 2521, Landover Hills, MD 20784**

Incomplete applications will not be considered.

Application Submission

- Submit a full electronic application through Google Drive
- Complete the Electronic Application Request form at <https://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx> to request a Google Drive folder for each project
- The Google Drive folders are organized into subfolders to match the Application Submission Package
- All documents must be uploaded prior to the application deadline
- 202s must be uploaded as excel files
- Access to the project folders will be revoked on Wednesday, May 4, 2022, at 2 PM

QUALIFIED ALLOCATION PLAN AND GUIDE

-  NEW - Final 2022 MD Qualified Allocation Plan Signed by Governor 2-4-2022
-  NEW - Final 2022 MD MF Rental Financing Program Guide Signed by Governor 2-4-2022
-  Final 2020 MD Qualified Allocation Plan Signed by Governor 6-3-2020
-  Final 2020 MD MF Rental Financing Program Guide Signed by Governor 6-3-2020
- 2022 Revision to the Qualified Allocation Plan and Multifamily Rental Financing Program Guide
- DHCD Multifamily Program Fees
- New Construction and Rehabilitation Construction Cost Limits

2022 Pre-Round Information

- 2022 Competitive Round Electronic Application Request Form



My Drive > 2020 Round Application ▾ 



Folders

Name ↑



Part I - Application an...



Part II - Mandatory Ex...



Part III - Optional Sco...

My Drive > 2020 Round Application > Part II - Mandatory Exhibits ▾ 



Folders

Name ↑



Exhibit A - Project Inf...



Exhibit B - Site Inform...



Exhibit C - Developme...



Exhibit D - Financial S...



Exhibit E - Constructi...



Exhibit F - Certificatio...

My Drive > 2020 Round Application > Part III - Optional Scoring Documentation ▾ 



Folders

Name ↑



Exhibit G - NPs, PHAs...



Exhibit H - Communit...



Exhibit I - Transit Ori...



Exhibit J - Income Tar...



Exhibit K - Targeted P...



Exhibit L - Tenant Ser...



Exhibit M - Additional ...



Exhibit N - Direct Leve...

Application & Administrative Information

- **Waivers:**

- In accordance with Section 5 of the Guide, waiver requests must be submitted *in writing* to the Director of Multifamily Housing via the Waiver Request form at <https://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx>
- Submit no later than **30 days** in advance of Round deadline
(i.e., by **Monday, April 4, 2022**)
- Applies only to Rental Housing Financing Program and State-imposed criteria for LIHTC and MBP
- Federal regulations affecting LIHTC, HOME and MBP may not be waived

Multifamily Housing Development Document Library

Jump To:

[DHCD Portal \(login required\)](#)

[Application Documents](#)

[Qualified Allocation Plan and Multifamily Rental Financing Program Guide](#)

[MULTIFAMILY PROPERTY FOR SALE: The Villages of Gaithersburg - \\$27,930,545](#)

[Multifamily Resources](#)

[Income Limits, Guidelines and Other Downloads](#)

[Low Income Housing Tax Credits Program Compliance Documents](#)

[DHCD/HUD/BRHC Conciliation Agreement](#)

[Multifamily Notices](#)

APPLICATION DOCUMENTS

- [Pre-Application Meeting Request Form](#)
- [Waiver Request Form](#)



Waiver Request Form

Application Type *

- 9% Competitive Round
- 4%/MBP
- Shelter/Transitional
- Other

Project Name *

Developer/Applicant *

Contact Name *

First Last

Contact Email *

Contact Phone *

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Waiver Request # 1 *

Rationale *

2022 QAP And Guide – Overview

The QAP and Guide are used to review:

- Competitive Round Applications for 9% LIHTCs & RHFPs
- Bond Applications and 4% LIHTCs (non-competitive)

Basic Review Process:

- Threshold Review
- Scoring

2022 Threshold Highlights

§3.9.8.3 Professional Fees

Sponsors may request up to an additional five (5) percent above the calculated Developer's Fee (i.e., up to 20% of Development Costs and up to 15% of Acquisition Costs) if the additional fee is escrowed with DHCD or another lender to: (a) fund a supportive service reserve or (b) fund a rent subsidy for Targeted Population units (See Section 4.4.2) set aside for persons at or below 20% of Area Median Income (AMI) for twenty (20) years. If a 20% AMI unit funded with this subsidy is rented to a voucher holder, then the next available comparable unit in the building must be rented to an income-qualified tenant at or below 20% of the AMI.

General Overview: Scoring

Scoring: Based On 200 Points

Category	Points	
Capacity of Development Team	74	<ul style="list-style-type: none"> • Team Experience • Negative points for processing time, compliance and asset management issues • Financial Capacity • Nonprofit/PHA/MBE scoring
Community Context	16	<ul style="list-style-type: none"> • Community Impact or Communities of Opportunity • Defined Planning Areas and Opportunity Zones (Rural, Sustainable Communities, and others)
Transit Oriented Development (TOD)	8	<ul style="list-style-type: none"> • MDOT designated • Radius of a public transportation boarding and alighting location • Availability of Transportation Services • Walk Score
Public Purpose	46	<ul style="list-style-type: none"> • Income Targeting • Targeted Populations • Family units with 2, 3+ bedrooms • Tenant Services • Policy Incentives
Leveraging & Cost Effectiveness	25	<ul style="list-style-type: none"> • Direct Leveraging • Operating Subsidies • Construction or Rehabilitation Cost Incentives
Development Quality	31	<ul style="list-style-type: none"> • Green Features • Energy Efficiency • Project Durability and Enhancements

NPs, PHAs, and MBE/DBEs– 14 max. pts. (Section 4.1.4)

Category 4 (maximum of 8 points) – Up to 2 points for each eligible NP, PHA, or MBE/DBE entity

Income Targeting – 15 max. pts. (Section 4.4.1)

Project-based voucher units will be considered 30% units for the purposes of income targeting scoring and compliance

Tenant Services – 8 max. pts. (Section 4.4.4)

If you chose the CORES designation for a project funded in the 2019 or 2020 Round, you will need to submit either proof of CORES certification, partnership with a CORES certified 3rd party, or a copy of the Pre-Screen Approval Email from CORES to demonstrate that you have initiated the application process and believe that you meet their threshold requirements.

Policy Incentives – 5 max. pts. (Section 4.4.5)

- One (1) point to the three (3) highest scoring “twinning” projects that include an overall total of 150 units and demonstrate a need for at least \$5 million of MBP financing.
- Two (2) points will be awarded to the top two (2) projects in communities of opportunity in the Baltimore Region and DC Metro Areas that are new construction, gut rehabilitation, or adaptive re-use family or intergenerational housing. At least 75% of the total units must be net new units to qualify for these points.

Policy Incentives – 5 max. pts. (Section 4.4.5)

- Two (2) points will be awarded to the top two (2) projects located in Allegany, Calvert, Caroline, Cecil, Charles, Dorchester, Frederick, Garrett, Kent, Queen Anne’s, Saint Mary’s, Somerset, Talbot, Washington, Wicomico, and Worcester Counties.
- Five (5) points will be awarded to any “twinning” project with an overall total of at least 150 units located within the boundaries of, and contributing to, a “Choice Neighborhood”.

Note: All policy incentive points will be awarded based on the final scores, excluding any points awarded in this section.

Direct Leveraging – 15 max. pts. (Section 4.5.1)

- LIHTC Raise – Up Rate: \$0.90
- Projects involving “twinning” should calculate direct leveraging score based on the 9% LIHTC project only. An additional 2 points will be added to the score if the projects include an overall total of at least 120 units, and demonstrate a need for at least \$5 million of MBP financing
- In order to receive the extra 2 points, the applicant must include a separate CDA Form 202 for the 4% and letters of intent for the MBP/4% LIHTC project

Operating Subsidies – 10 max. pts. (Section 4.5.2)

- Points will be calculated using the following equations:
- Entitlement Jurisdictions:

$$\frac{\text{Average subsidy per affordable unit per year}}{\$600} \times 10 \text{ points} = \text{Points Awarded}$$

- Non-Entitlement Jurisdictions:

$$\frac{\text{Average subsidy per affordable unit per year}}{\$300} \times 10 \text{ points} = \text{Points Awarded}$$

Final scores will be rounded to the nearest one-hundredth (1/100) of a point.

Construction & Rehab Cost Incentives – Negative 8 max. pts. (Section 4.5.3)

For the Spring 2022 Round, the construction cost limits of Section 4.5.3 are as follows:

- Up to eight (8) points will be deducted from any large project, and up to six (6) points deducted from small projects (40 units), with construction costs per square foot in excess of:

Type of Building	New Construction	Rehabilitation
Cottage, Single Family, Semi-detached Dwellings, and Townhomes	\$233	\$ 239
Garden Apartments	\$ 195	\$ 149
Non-elevator Stacked Units and Elevator Buildings with 4 stories or less	\$ 212	\$ 174
Elevator Buildings of 5 or more stories	\$ 233	\$181

Construction Budgets

Solar Systems, Security Systems, and Playgrounds are considered hard costs and must be included in the construction budget. Budgets that include these costs as soft costs will not be accepted.

“Twinning” Project Requirements

- At least 120 Units
- Demonstrate a need for at least \$5 million in MBP financing
- Submit:
 - A full application for the 9% LIHTC project
 - CDA Form 202, CDA Form 212, and schematics for MBP/4% LIHTC project
 - Letters of intent for the MBP/4% LIHTC project

QUESTIONS?

dhcd.qap@maryland.gov